

Highlights from the HM Treasury Autumn Statement 2015 document



www.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_PU1865_Web_Accessible.pdf

Company car tax

Following the adverse press reports on diesel engine cars this year there had been fears the road tax (VED) rates might change but this announcement was interesting.

Company car tax

1.206 The government is retaining the diesel supplement in company car tax until 2021, when EU-wide testing procedures will ensure new diesel cars meet air quality standards even under strict real world driving conditions.

Transport taxes

3.66 Company Car Tax diesel supplement – From April 2016 the 3 percentage point differential between diesel cars and petrol cars will be retained until April 2021. (Finance Bill 2016) (12)

Clamp down on whiplash insurance claims

This will be a welcome move and curb the activities of the firms that cold call seeking whiplash clients they can work on with invented claims which drive up the insurance premiums for other motorists.

Lower motor insurance costs

1.143 The government is determined to crack down on the fraud and daims culture in motor insurance. Whiplash daims cost the country £2 billion a year, an average of £90 per motor insurance policy, which is out of all proportion to any genuine injury suffered.⁶¹ **The government intends to introduce measures to end the right to cash compensation for minor whiplash injuries,** and will consult on the details in the New Year.⁶² This will end the cycle in which responsible motorists pay higher premiums to cover false daims by others. **It will remove over £1 billion from the cost of providing motor insurance and the government expects the insurance industry to pass an average saving of £40 to £50 per motor insurance policy on to consumers.**

Investment in road building and maintenance

The £250m over the next 5 years to tackle potholes that blight our local roads on top of £5billion of funding for road maintenance was very good news.

Roads

1.196 The Roads Investment Strategy signals the biggest investments in roads since the 1970s. This overall £15 billion of investment in the Roads Investment Strategy period will include resurfacing over 80% of the strategic road network, and delivering over 1,300 miles of additional lanes, the equivalent of travelling from Bristol to Newcastle four times. Future roads investment will be underpinned by a new Roads Fund paid for directly from the revenues of Vehicle Excise Duty from 2020-21. **An ambitious second Roads Investment Strategy will be published before the end of this Parliament setting out how the Roads Fund will be invested.**

1.197 In addition the Spending Review and Autumn Statement provides £250 million over the next 5 years to tackle the potholes that blight our local roads, on top of nearly £5 billion of funding for roads maintenance, a £300 million increase compared to the previous Parliament.